

CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
7 October 1963

OCI No. 3003/63

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: The Situation in Morocco

Diplomatic Considerations

1. Rabat would be highly pleased with a tangible expression of American interest in Morocco and the government would make full propaganda use of it as support for the country and its policies. Coming at a time when Rabat is experiencing some difficulty in its international position, a visit would provide a significant boost to Moroccan-American friendship. On the other hand, such a demonstration of favor to Rabat during this period of tension might be construed in Algiers as a diplomatic reproach to the Ben Bella regime, especially if--as seems quite possible--these tensions build up during the next few weeks. Despite Morocco's current estrangement from tropical Africa, we do not believe that a visit would have a deleterious effect on the US position south of the Sahara.

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Political Atmosphere

3. The political situation is characterized by growing tension. King Hassan II last December was at a pinnacle of success following his stunning victory in a referendum in which 95 per cent of the voters approved his constitution. This seemed to augur well for his establishment of a parliamentary government which would be largely responsive to his direction. However, the parliamentary elections last May were disappointing and failed to produce a massive victory for the royalist-favored Front for the Defense of Constitutional Interests. Many of the extravagant claims of rival parties during this campaign carried over to the present situation, exacerbating relationships between political groups and the palace.

4. The King has compounded his break with the nationalist Istiqlal, the party which led opposition to the French. Arrests of deputies, actions to restrict the press, and transfers of governing officials have destroyed the strong support for the monarchy previously given by the Istiqlal, which represents commercial elements in the cities, the Moslem religious hierarchy, and some proportion of the rural population. The firing of bright young Istiqlal officials from the various government ministries and exclusion of modernist elements from other parties darkens prospects for the Moroccan state and its already undermanned administration.

5. Increasing tension on the political scene has been accompanied by financial stress. The estimated \$40 million gap between expenditures and receipts in the government budget has produced new strains and accounted in part for frantic Moroccan efforts to get the French to give some \$70,000,000 in aid. Foreign capital is cautious about projects other than those to encourage tourism. Even a good harvest will not be more than a temporary stimulant. The basic problems of a rapidly increasing population, massive unemployment, a backward agricultural economy and a virtually stagnant GNP appear to rule out significant advances on the economic front for some time to come. The King has the alternatives

only of relying on Paris for large handouts or cutting down on expenditures at home at considerable cost to his development program.

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Foreign Affairs

7. On the international scene Morocco has become increasingly isolated. The King refused to attend last spring's summit meeting of African leaders at Addis Ababa in pique over Mauritania's presence, and as a result lost severely in prestige. Rabat's relations with Algeria have become increasingly difficult, and at present there is a buildup of troops on both sides of the disputed border in the Colomb-Béchar area. However, overt tension between Algeria and Morocco may be eased for the time being as a result of the talks held at Gijda on 5 October between Algerian Foreign Minister Bouteflika and Director-general of the King's personal cabinet Guedira. The officials reaffirmed the principle of non-interference by one country in the internal affairs of the other and approved an early meeting between President Ben Bella and King Hassan II. Nevertheless, basic problems--mutual distrust of regimes and unresolved border claims--remain between Morocco and Algeria and over the longer period are likely to increase in intensity.

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9. In his search for international acceptance, the King has placed high value on his ties with the United States. With the closing of the bases and departure of most American personnel by the end of this year, Hassan is losing a prime demonstration of American support as well as an economic contribution. He is, however, gaining a measure of acclaim in the Afro-Asian world for "anti-imperialism".